

Q1 2023 RESULTS

May 5, 2023

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OUR PURPOSE
WE BUILD
A BETTER WORLD

This presentation contains forward-looking statements (including without limitation statements to the effect that the Company or its management “will,” “believes,” “expects,” “plans,” “intends,” “continue,” “anticipates,” is “positioned” or other similar expressions). These forward-looking statements, including statements relating to strategic and operational plans, projected operating results, forecasts, market outlook, new awards, backlog levels, prospects, and liquidity are based on current management expectations and involve risks and uncertainties. Actual results may differ materially as a result of a number of factors described in our form 10-Q for the quarter ended March 31, 2023. Caution must be exercised in relying on these and other forward-looking statements. Additional information concerning risk factors that could affect the Company’s business and financial results can also be found in the Company’s public periodic filings with the Securities and Exchange Commission, including our 2022 10-K. The Company disclaims any intent or obligation other than as required by law to update its forward-looking statements in light of new information or future events.

During this presentation, we may discuss certain non-GAAP financial measures including consolidated segment profit (loss), adjusted EBITDA, and adjusted EPS. Reconciliations of non-GAAP amounts to the comparable GAAP measures are reflected in our earnings release and are posted in the investor relations section of our website at investor.fluor.com. Reconciliations of forward-looking non-GAAP financial measures are not available due to the inability to reliably estimate the amounts of items excluded from such measures. Unless otherwise noted, capitalized terms used herein shall have the meanings ascribed to them in the Company’s Form 10-Q filed on May 5, 2023.



SAFE HARBOR STATEMENT

Opening Comments

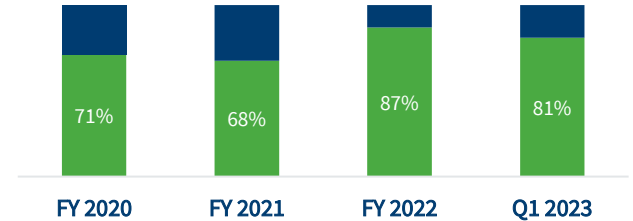
- ▶ Recognizing key project milestone
 - The Marathon L.A. Refinery project team was able to complete the project's turnaround construction work packages by December 31, 2022
 - In the spirit of One Fluor they worked collaboratively around the clock to keep the work going and beat the deadline by nine days



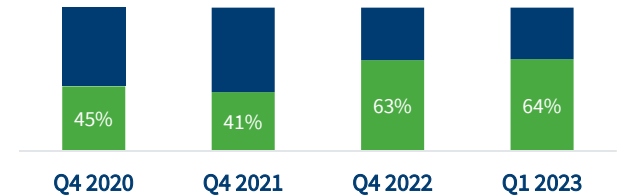
Opening Comments

- ▶ Q1 revenue \$3.8 billion
 - 20% improvement from Q1 22
- ▶ Q1 new awards of \$3.2 billion
 - 81% reimbursable
- ▶ Backlog 64% reimbursable
- ▶ FEED and study packages represent an estimated \$290 billion of installed cost
- ▶ Tracking EPC & EPCM prospects of approximately \$51 billion

NEW AWARDS



BACKLOG



■ Reimbursable ■ Fixed

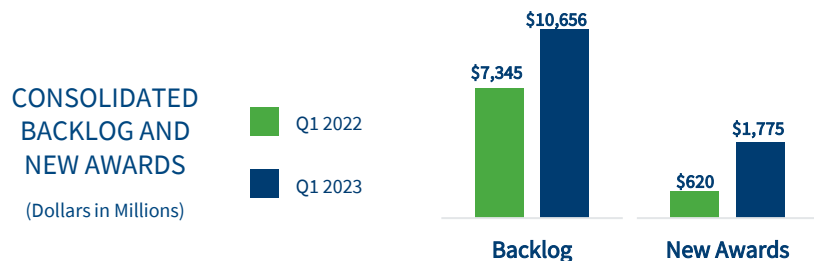
SEGMENT UPDATES

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Urban Solutions

- ▶ Q1 segment loss of \$20 million
 - Results include additional costs on a legacy infrastructure project
- ▶ Q1 new awards of \$1.8 billion
 - 86% reimbursable
- ▶ Segment backlog 58% reimbursable



Urban Solutions – Mining & Metals



- ▶ Continue to successfully execute and deliver on nearly \$4 billion in backlog
- ▶ Over the next 18 months, either working on, or have direct line of sight on, \$7 billion of opportunity
 - Includes decarbonization of metal production facilities, copper projects in South America, and lithium work in the U.S.

Urban Solutions – Advanced Technologies & Life Sciences



- ▶ Q1 new awards include:
 - Large automated distribution center program in North America
 - Additional work for an existing semiconductor plant in Malaysia
- ▶ Tracking \$1 billion in awards for Q2
- ▶ Continue to position for large semiconductor fabrication projects in Idaho and Oregon

Urban Solutions – Infrastructure

- ▶ \$59 million charge on the LAX Automated People Mover Project
 - Includes rework associated with subcontractor design errors, the related schedule impacts and systems integration testing timelines
 - Construction is 88% complete
- ▶ I-635 LBJ East Freeway project progress continues to track Q4 forecast and is now 53% complete
- ▶ Progress on the Gordie Howe International Bridge project now stands at 47% complete
 - Continue to hold productive conversations with the client as it relates to cost and schedule relief



Urban Solutions – Infrastructure (cont.)

- ▶ Common themes on legacy infrastructure contracts include:
 - Lack of contractual protection for supply chain, labor escalation costs, labor availability
 - Tempo of claims recovery negotiations
- ▶ Marshaling additional resources
 - Rigorous control and oversight
 - Working with JV partners to align on claims management
- ▶ Continue to drive a selective mindset for prospects



Mission Solutions

- ▶ Q1 segment profit of \$7 million
 - Results include a \$21 million charge for government directed change orders on F.E. Warren Air Force Base project
 - Project is over 70% complete
- ▶ Q1 new awards of \$331 million
 - Six-month extension at the Portsmouth Decontamination and Decommissioning project
 - Engineering award to support the class 2 estimate for NuScale's customer, UAMPS
- ▶ Won Hanford Tank Disposition contract in April
- ▶ Signed MOU with Longview Fusion Energy Systems
- ▶ RFP for Pantex expected in Q3 2023



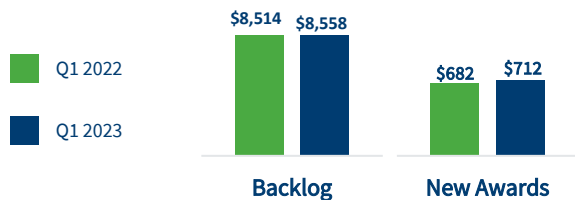
CONSOLIDATED
BACKLOG AND
NEW AWARDS
(Dollars in Millions)



Energy Solutions



CONSOLIDATED
BACKLOG AND
NEW AWARDS
(Dollars in Millions)



- ▶ Q1 segment profit of \$88 million
 - Results reflect increased execution activities on refinery and LNG projects in North America, partially offset by \$39 million for our embedded derivatives at ICA Fluor in Mexico
- ▶ Q1 new awards of \$712 million
 - Two EPC projects for Pemex
 - Compressor modernization project in California
 - Incremental award for our New Fortress Energy FAST LNG program
 - FEED award for a new lithium chemicals conversion plant in the United States

Energy Solutions (cont.)



- ▶ LNG Canada
 - Out of 215 modules, 205 have been shipped, and 196 modules have been delivered on site
 - Inside battery limit (ISBL) modules for Trains 1 and 2 have been installed
- ▶ Shell legacy offshore project expected to reach project completion this summer
- ▶ Robust prospect pipeline
 - Dow's Path₂Zero ethylene and derivatives complex awards
 - Additional opportunities with Pemex

Energy Transition



- ▶ 40% of Energy Solutions new awards in Q1 related to energy transition
- ▶ Signed licensing agreement with Federated Co-Operatives Limited (FCL) for their renewable diesel facility
 - FCL will be deploying Fluor’s proprietary EconamineFG+ carbon capture technology
- ▶ Opportunities in Romania
 - Two conventional reimbursable cost nuclear units
 - FEED package for six reactor NuScale SMR nuclear power plant

Q1 2023

FINANCIAL RESULTS



Q1 2023 Financial Results

\$3.8
billion
revenue

G&A
expense
\$62
million

\$15
million
consolidated
segment loss

Net interest
income
\$41
million

\$71 million
adjusted EBITDA

New awards
\$3.2
billion

\$0.28
Diluted
adjusted EPS

Q1 2023 Financial Results



- ▶ \$2.3 billion in cash and marketable securities
 - Includes cash and marketable securities held by NuScale of \$268 million
- ▶ Q1 operating cash outflow of \$161 million
 - Increase in working capital needs on several large projects
 - Timing of annual incentive payments
- ▶ Expect cash flow to remain modestly positive
 - Approximately \$200 million for legacy project cash needs in 2023 and 2024

AMECO, Stork and NuScale Update



▶ AMECO

- Sold remaining operations in South America
- Received \$144 million in cash proceeds since 2019

▶ Stork

- Expect to complete final divestiture negotiations of Stork's European operations in Q2
- U.K. operations going to market in June

▶ NuScale

- Focus on strategic investors
- Anticipate strategically aligned transaction by year end

OUTLOOK

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Outlook

- ▶ Affirming 2023 guidance
 - Adjusted EPS range: **\$1.50 to \$1.90**
 - Adjusted EBITDA guidance: **\$450 to \$600 million**
- ▶ 2023 assumptions
 - Revenue: **~10% growth**
 - Adjusted G&A expense: **~\$45 million per quarter**
 - Effective tax rate: **~40%**
- ▶ 2023 segment margin guidance*
 - Energy Solutions: **~5.5%**
 - Urban Solutions: **~3.0%**
 - Mission Solutions: **~3.5%**
- ▶ Affirming long-term 2026 guidance

* Excludes currency exchange fluctuations and the embedded foreign currency derivative



Q&A



APPENDIX

Non-GAAP Reconciliations



Reconciliation of U.S. GAAP Net Earnings (Loss) and U.S. GAAP Earnings per Share to Adjusted EPS⁽¹⁾

(In millions, except per share amounts)	THREE MONTHS ENDED MARCH 31,	
	2023	2022
Net earnings (loss) attributable to Fluor	\$ (107)	\$ 48
Less: Dividends on CPS	(10)	(10)
Net earnings (loss) available to Fluor common stockholders	(117)	38
Less: Earnings from Stork and AMECO	64	(7)
Less: Tax expense on Stork and AMECO	-	-
Net earnings (loss) from core operations*	(53)	31
Add (less):		
Dividends on CPS	\$ 10	\$ 10
NuScale (profit) loss	26	21
ICA Fluor embedded derivatives	39	13
Tax expense (benefit) on ICA Fluor embedded derivatives	(11)	(4)
Impairment ⁽²⁾	-	(63)
Foreign currency loss	41	19
Tax expense (benefit) on foreign currency	(9)	(5)
SEC investigation	5	5
Adjusted Net Earnings	\$ 48	\$ 27
Diluted EPS available to Fluor common stockholders	\$ (0.82)	\$ 0.27
Adjusted EPS	\$ 0.28	\$ 0.16
Weighted average diluted shares outstanding	142	144
Assumed conversion of CPS	27	27
Assumed issuance of shares under equity awards	5	3
Adjusted weighted average diluted shares outstanding	174	174

*Core operations excludes the results of our Stork business and remaining AMECO equipment business that no longer meet all of the requirements to be classified discontinued operations but that continue to be marketed for sale.

⁽¹⁾ Certain amounts in tables may not total or agree back to the financial statements due to immaterial rounding differences.

⁽²⁾ Fair value adjustments of Stork and AMECO assets

Reconciliation of U.S. GAAP Net Earnings (Loss) to Adjusted EBITDA⁽¹⁾

<i>(in millions)</i>	THREE MONTHS ENDED MARCH 31,	
	2023	2022
Net earnings (loss) attributable to Fluor	\$ (107)	\$ 48
Interest	(41)	9
Taxes	30	31
Depreciation & Amortization	18	15
EBITDA	\$ (100)	\$ 103
Adjustments:		
<i>Other: NuScale, Stork and AMECO expenses</i>	86	13
<i>Energy Solutions: Embedded foreign currency derivative (gains)/losses</i>	39	13
<i>G&A: Foreign currency loss</i>	41	19
<i>G&A: SEC Investigation</i>	5	5
<i>G&A: Impairment</i>	-	(63)
Adjusted EBITDA	\$ 71	\$ 90

⁽¹⁾ Certain amounts in tables may not total or agree back to the financial statements due to immaterial rounding differences.

Reconciliation of U.S. GAAP Net Earnings (Loss) from Continuing Operations Before Taxes to Total Segment Profit (Loss)⁽¹⁾

<i>(in millions)</i>	THREE MONTHS ENDED MARCH 31,	
	2023	2022
Earnings (loss) before taxes	(100)	87
G&A	(62)	(71)
Impairment	-	63
Foreign currency gain (loss)	(41)	(19)
Interest income (expense), net	41	(9)
Earnings (loss) attributable to NCI	(23)	8
Total segment profit (loss) \$ and margin %	<u>\$ (15) -0.4%</u>	<u>\$ 115 3.7%</u>

⁽¹⁾ Certain amounts in tables may not total or agree back to the financial statements due to immaterial rounding differences.